

SALMON RECOVERY FUNDING BOARD SUMMARIZED MEETING AGENDA AND ACTIONS, OCTOBER 7, 2010

Agenda Items without Formal Action

Item	Board Request for Follow-up (<i>Due Date in Italics</i>)
Management Report	Staff will follow-up on any action items identified from the sponsor survey as appropriate. (<i>ongoing</i>) Staff to reconsider the target for stream miles, and to provide detail if the percentage falls below 100% (<i>March</i>)
Salmon Recovery Management Reports	David Troutt will work with Ken Dzinbal and Sara LaBorde to write a letter to the agencies, copied to the Forum and OFM, detailing the board's priorities and concerns (<i>November</i>)
Council of Regions Report	None
Lead Entity Advisory Group Report	None
Other Agency Updates	None
Regional Recovery Organization Presentation: Snake	None
Biennial Workplan for Implementing Strategic Plan	The board asked staff to develop a proposal for the expansion of eligible project types for the 2011 grant round (<i>December</i>)
Effectiveness Monitoring	None
Intensively Monitored Watersheds (IMW)	None
Potential Changes to Manual 18 for 2011 Grant Cycle	None
Acquisition Policy (Manual 3) Update	None

Agenda Items with Formal Action

Item	Formal Action	Board Request for Follow-up (<i>Due Date in Italics</i>)
Minutes	Approved the minutes as presented.	
2011 Meeting Dates	Approved the following dates for 2011: <ul style="list-style-type: none"> March 2-3, 2011 May 25-26, 2011 August 31 – September 1, 2011 December 7-8, 2011 	Schedule August/September meeting in the mid-Columbia region.
Approve contract and funding for Washington State Department of Fish and Wildlife (WDFW) Fish in/Fish out program	Approved \$208,000 for WDFW fish-in/fish-out monitoring from October 2010 through September 2012.	•
Puget Sound Acquisition and Restoration (PSAR) Grant Awards	Approved \$7,140,443 in Puget Sound Acquisition and Restoration (PSAR) funds for the projects presented.	•
SRFB Grant Awards (State funds)	Approved \$2,247,687 in state funds or federal Pacific Coastal Salmon Recovery Funds for the projects presented.	•

SALMON RECOVERY FUNDING BOARD SUMMARY MINUTES

Date: October 7, 2010

Place: South Puget Sound Community College, Lacey, WA

It is intended that this summary be used with the notebook provided in advance of the meeting. A recording is retained by RCO as the formal record of meeting.

Salmon Recovery Funding Board Members Present:

Steve Tharinger, Chair	Clallam County	Melissa Gildersleeve	Department of Ecology
David Troutt	DuPont	Sara LaBorde	Department of Fish and Wildlife
Bob Nichols	Olympia	Carol Smith	Conservation Commission
Harry Barber	Washougal	Jon Peterson	Department of Transportation
Bud Hover	Okanogan County	Craig Partridge	Department of Natural Resources

Chair Tharinger arrived at 9:50 a.m.

Bob Nichols left at 2:30 p.m. Jon Peterson left at 3:50.

Sara LaBorde participated via conference call.

Opening and Welcome

Chair Designee Bud Hover called the meeting to order at 9:05 a.m. and a quorum was determined. It was noted that Chair Tharinger was scheduled to arrive later in the morning.

- The Salmon Recovery Funding Board (board) approved the revised agenda.
- The board approved the August 2010 meeting minutes as presented.

Bob Nichols moved to adopt the August minutes.

Seconded by: David Troutt

Motion: APPROVED

Management and Partner Reports

Management Status Report

Director Cottingham introduced new staff members Lynn Kennedy, Executive Assistant, and Greg Tudor, IT Manager. Kaleen discussed the survey results from the sponsor satisfaction survey done in the summer of 2010 and committed to follow-up on any action items identified from the survey. She also noted that the Recreation and Conservation Office (RCO) has now taken on the Habitat Work Schedule system, and over the next year, will work on a better interface with PRISM.

Kaleen then discussed the budget reductions, noting that the RCO and its boards will have to shift programs from general fund to federal funding, or determine how to reduce expenditures. She noted that the lead entities took a \$45,000 reduction, but that it was backfilled with Pacific Coastal Salmon Recovery Fund (PCSRF) dollars, per the board's direction in May. She explained that the potential 10% reduction would be about \$245,000; the board will need to decide how to handle its share of that in the future. Steve McLellan noted that the revenue forecast in November may increase the reduction levels. Further, the legislature may wish to shift reductions to programs other than DSHS and DOC. He concluded by noting that the outlook for the 11-13 biennium also is dire and explained the various efforts by the Office of Financial Management.

Summary of the new PCSRF report to Congress

Brian Abbott distributed copies of the new PCSRF report to Congress and highlighted some key points and projects funded by the Salmon Recovery Funding Board.

Bob Nichols asked about the lack of data in the PCSRF report, noting in particular a map on page 9 of the report that indicated large areas for which there was "no estimate" for Chinook population abundance data. Steve Leider of the Governor's Salmon Recovery Office (GSRO) joined Brian at the presenter table and noted that there is often a lot of data, but there may not be enough at the right scale, or it might be that they are still working on the analysis. He stated that they expect to see the colored areas to decline over time, and that it should be distinguished between data gaps and ongoing analysis.

Harry asked if the report included hatchery and wild fish; Kaleen noted that the NOAA report includes both, while the State of the Salmon Report distinguishes wild salmon from hatchery salmon.

Policy Report

Steve McLellan discussed the policy report, noting in particular the EPA grant to implement the Action Agenda. State agencies are working together to put forth a response; RCO may be the grant contract manager/fiscal agent for them. The first awards are anticipated for February 2011. He noted that there also is a federal bill creating a Puget Sound Authority similar to Chesapeake Bay; there is a possibility it could pass. He also described the request legislation for Invasive Species and the Monitoring Forum.

Performance Data

Rebecca Connolly reviewed the performance measures and survey data. David Troutt asked staff to reconsider the target for stream miles, and to provide detail if the percentage falls below 100 percent.

No General Public Comment was provided

Salmon Recovery Management Reports

Governor's Salmon Recovery Office

Steve Leider introduced the items on the briefing memo and provided an update on the State of the Salmon report, noting that they are compiling data and making it understandable. They are keeping their focus on wild fish, with data from the Washington Department of Fish and Wildlife (WDFW); however, the distinction is more difficult with some species. He explained that WDFW helps compile data from information submitted by tribes, PUDs, and others.

Board members and staff discussed at length who collects the data (local vs. state), how the different sources are reconciled, challenges with analysis, and the role of the Monitoring Forum.

Member Troutt asked how the state budget reductions affect the ability to collect data. Members Troutt and Barber suggested that the board should tell state agencies what monitoring information it needs. They believe the information could be useful for agencies when they implement budget reductions. Chair Tharinger suggested that the communication happens already by the board sending the message to the Monitoring Forum, but Member Troutt stated that he would prefer a more direct approach to state priorities.

Monitoring Forum

Ken Dzinbal, Executive Coordinator for the Forum, gave an update on Forum activities, as described in the board memo. He encouraged the board to go on record with its priorities for monitoring and reporting because it helps scientists to focus their efforts.

The board agreed that Member Troutt should work with Ken Dzinbal and Sara LaBorde to write a letter to the agencies, copied to the Forum and OFM, detailing the board's priorities and concerns. The letter should be circulated to other board members via email before it is sent, and should be done before the Governor's budget is completed.

Ken Dzinbal then shared and reviewed a list of formally-adopted monitoring protocols. He discussed the Forum's recommendations for actions, such as incorporating the protocols into agency monitoring programs as appropriate, and working with partner agencies to mutually plan and support a cross-training exercise. They will come back with a proposal for doing this.

Bud asked if there's any resistance to the new protocols. Ken responded that there is resistance because they need to overcome current practice, legacy data, training, equipment, and so on. They are encouraging use by pointing out that everyone can use larger data sets if they collect data in the same way. Ken also noted that they might need to consider whether programs that don't adopt protocols should be funded at the state level.

Grant Management and Update on 2010 Grant Round/Review Process

Brian Abbott, Salmon Section Manager, reviewed the information in the briefing memo, noting the status of the current grant round, the NOAA grants, project conference planning, and the new salmon grant manager, Kat Moore, who will start on October 18.

Staff Presentation of Projects

Kay Caromile, Mike Ramsey, and Dave Caudill presented projects of note, as described in the board memo.

- Dave presented the Roller-Salmon Creek Restoration (07-2013) project and the Stewart-Trib to Walker Creek Restoration (08-1935) project. He noted that both projects came in under budget, which allows them to fund additional FFFPP projects.
- Mike Ramsey presented the Shoal Bay Tide Gate Removal (07-1740), which was not in the board memo. This project removed a tide gate that blocked access to a 5-acre lagoon on Lopez Island. Barbara Rosenkotter noted that they are hoping to continue fish utilization studies; fish were getting stuck behind the gate prior to the project. She noted that the studies that led to the project were funded by the SRFB.
- Kay Caromile presented the Mill-Creek Lasher Conservation and Restoration Project (07-1888), which recently closed. It is unique because it included the removal of over 60 cars that had been installed as bank protection in the 1950s. Also, the landowner provided a large portion of the match.

Partner Reports

Council of Regions Report

Steve Martin, Snake River Region, provided the Council of Regions Report. He thanked GSRO for working with them on funding strategies. They are meeting again in October, and he noted highlights of the agenda. On the budget, Kaleen noted that the regions are funded from PCSRF while the lead entities are funded from General Fund; the board will need to discuss how to balance this in the future. Chair Tharinger noted that using federal funds can take away from projects.

Lead Entity Advisory Group Report: Barbara Rosenkotter, LEAG

Barbara Rosenkotter presented the Lead Entity Advisory Group report, which is memo 3A in the notebook. Barbara highlighted the actions that the lead entities took when they met in July and September. She thanked the board for the decision in May to approve backfilled funds in the event of budget cuts. Lead entities generally get about 42 percent of their budget from state general funds, and many are getting budget cuts at the local level. They have been working on ways to tell their story and show that they are making a difference in salmon recovery. She discussed the lead entities' desire to reduce work by having a better HWS-PRISM interface.

Other Agency Updates:

Carol Smith, Conservation Commission, noted that the most recent budget reduction has resulted in a \$190,000 cut in Commission operations and a \$250,000 cut to conservation districts. The Commission recently lost two staff members (10 percent of agency) who will not be replaced at this time, and the cut to districts will result in less on-the-ground work. Their new practices are now being implemented in the CREP riparian restoration program.

Sara LaBorde, Fish and Wildlife, noted that the alternative gear project is underway, and the data are updated weekly. She also noted that the NOAA Mitchell Act Columbia River Hatchery draft EIS is out for comment, and that the salmon recovery boards need to respond to how it impacts salmon recovery. For FY 2011, they took a \$2.1 million cut, and it affects salmon recovery because a number of positions will be held vacant. For the biennium, the 10 percent cut likely will affect the HPA program, technical assistance, and research.

Jon Peterson, Department of Transportation, stated that DOT undertook seven fish passage projects over the summer; some are still in progress. He also noted that they have filled Scott Anderson's position; that individual may be replacing Jon on the SRFB.

Kaleen Cottingham, RCO, noted that she and Brian Abbott have been working with other agencies to expand the FFFPP program with federal funding.

Craig Partridge, DNR, stated that the Forest & Fish adaptive management program received \$700,000 in EPA funding to evaluate and monitoring of non-fish bearing streams and evaluate the adequacy of the buffer requirements. This grant will help answer the question of how to provide favorable downstream characteristics through efforts in the upper stream reaches.

Melissa Gildersleeve, Ecology, noted that they took cuts in the watershed planning area for both staff support and the amount that they would have pushed out to support watershed planning. They also took cuts in water quantity and water resources program. She also noted that a few months ago, the 9th circuit court said that all forest practices roads need to have a clean water act NPDES permit.

Briefings

Regional Recovery Organization Presentation: Snake River Region

Regional Director Steve Martin reviewed the Snake River Salmon Recovery Board history, their regional priorities, and the actions they have completed. He stated that the actions have resulted in reductions in water temperature and fine sediment, increases in summer base flow, and removal of 6 of 7 barriers, and improved spring Chinook populations. He described that the indirect benefits of Salmon Recovery are an emerging theme, from ecosystem services to the economics of salmon and steelhead fishing as a regional industry. He stated that the challenges ahead include (1) maintaining momentum on policies, funding, and societal support; and (2) local land use decisions.

Steve concluded by noting that the structure of the regional organization helps them put major initiatives in place, and discussing a few of these initiatives that involve multiple state, federal, local, and private parties.

The board congratulated Steve on a job well done and the region's successes. They noted that they are interested in understanding the contribution of SRFB operating funds to the partner dollars they receive. Steve responded that they receive about \$400,000 in lead entity and regional operating funds, and are able to secure about \$12 million in capital funding. Kaleen reminded the board that they would get the information from the GSRO report in December.

Biennial Work Plan for Implementing Strategic Plan

Policy Specialist Megan Duffy briefed the board on staff work to address the scale and mix of projects. She reviewed the background and direction provided in 2009, and described how she met with the regions to discuss several strategic plan issues, including funding large-scale projects. She explained the following findings from her discussions:

- Approaches to funding complex projects have been developed based on existing SRFB process and policies
- Policies do not necessarily create obstacles to funding bigger scale projects
- SRFB process allows funds to be effectively spent – incrementally making a difference
- No expectations that SRFB funds would drive bigger, more complex projects

She then noted that in the course of the regional conversations, various alternatives to the current SRFB process were considered. These included: (1) a statewide competitive grant process for larger scale projects; (2) changing the annual grant round cycle to a biennial cycle; (3) allowing regions to retain funds from one grant round to the next when a project falls through or closes under budget; and, (4) changing the project mix to allow regions/lead entities to determine what types of projects are the highest priority in their regions or setting aside a percentage of funds for special projects. The regions were not interested in a statewide competitive grant process for larger scale projects. There was limited interest in changing the grant round timing and some interest in changing the project mix to allow regions/lead entities to either determine what types of projects are highest priority or setting aside a percentage of funds for special projects. The greatest interest from the regions was in holding over funds for projects that fall through or close under budget.

Member Troutt asked why the board is not seeing more collaboration among regions and/or lead entities to implement bigger projects, if policies are not creating obstacles. Megan responded that there may be several reasons including lead entities may have more priority projects on their lists than funding and that some regions are using other fund sources for bigger projects; . Member Hover noted that delisting needs to occur in each ESU and the desire to keep funds within a specific ESU to achieve that listing is strong. Member Barber added that it's also an issue of keeping the project sponsors viable.

On the issue of changing the project mix, Megan noted that any policy would need to allow each region to determine what projects were the highest priorities and that a cap for special projects (nonhabitat projects) based on a percentage of a regional allocation might be a good first step. Member Troutt supported this move, but suggested that they shouldn't limit it to a certain percentage. Director Cottingham noted that one disadvantage to expanding eligible project categories could be how NOAA would view this approach in the competitive application for PCSRF funds. Megan noted that a percentage basis would be an intermediate step that still acknowledges the PCSRF constraints and the desire to see on-the-ground projects. Member Smith noted that we would need to ensure appropriate review & evaluation for projects outside the current types.

The board discussed the option, and asked staff to develop a proposal for the expansion of eligible project types for the 2011 grant round, without limiting the amount to a set percentage. The board stated that they were not inclined to let regions keep unspent funds.

Monitoring Program, Effectiveness Monitoring: Tricia Gross, Tetra Tech

Tricia Gross discussed the characteristics of successful versus less successful projects. She stated that project performance is due to a combination of factors, but noted a few key factors, including suitable project design, scale of the project vs. watershed size, and adequate evaluation of pre-project conditions and habitat potential. She then highlighted a series of projects to demonstrate these key factors, noting that the observations are based solely on their observations of effectiveness monitoring metrics. Additional years of monitoring will provide more data. Tricia then presented a series of projects that faced challenges due to insufficient evaluation of conditions and habitat potential, limited understanding of the watershed context and stability, project design, or monitoring challenges.

She concluded with a review of the key factors and some recommendations for the board:

- Include and/or require hydraulic analysis for off-channel habitat construction projects to document that flows are adequate to maintain connection.
- Gather more pre-project information on habitat and watershed condition outside the project area that may affect project performance.
- Structures should be sized appropriately for drainage basins.
- Conduct initial assessment of habitat for acquisition project before purchase – use existing protocols.
- Collect data on pre-project fish densities.

Carol asked if there are success rates by project types/categories. Ken noted that they are doing some cost effectiveness analysis, but they need more data. Tricia noted that fish passage projects are typically successful, provided that there are sufficient adult densities downstream. The board also discussed the importance of using the right question for monitoring.

Brian explained that they will use this information at the project conference, and they will be working on sharing this information with project sponsors and the Review Panel. He noted that many of the "challenged" projects were done several years ago, and that the review is now more rigorous.

David suggested caution in considering the broader watershed conditions. While he agrees with the concept, sponsors simply cannot predict all of the landslides, flooding, and other events that can affect a project's success. Harry Barber asked if they are getting more fish, or if the fish are just moving. Ken responded that the question can be answered through IMWs, not effectiveness monitoring.

Intensively Monitored Watersheds (IMW): Bill Ehinger, Ecology

Bill Ehinger explained that IMWs are intended to answer two questions:

- Does habitat restoration produce more fish?
- Can we improve our restoration efforts?

He then provided a status update on three IMW complexes: Strait of Juan de Fuca; Hood Canal Complex; and Lower Columbia IMW Complex. He provided updates on the restoration actions in the IMW watersheds and their findings related to fish counts and juvenile migration. In the Lower Columbia, he noted that while there has not been enough restoration to detect a change, the analysis indicates that they should get a net increase in salmon at some point in the future. They have not done similar analysis in the Hood Canal, but did it in the Strait.

Chair Tharinger noted that there are so many variables, it is difficult to really identify causal relationships. Member Troutt asked when they would have enough data to be able to determine whether the habitat changes are making a difference. Bill responded that they might be at that point in the Strait.

Potential Changes to Manual 18 for 2011 Grant Cycle

Brian Abbott, Salmon Section Manager, reviewed memo 9A regarding potential changes to Manual 18. He explained that the big change is to push for a December adoption so that it is in place before the beginning of the grant round. He does not foresee any major changes, aside from the work assigned at this meeting. Otherwise, staff will focus on housekeeping issues, edits stemming from feedback about the review process, and a proposed farmlands impact policy. Carol noted that the commission is very happy with the farmlands policy; Steve Tharinger noted that he hoped that the process wouldn't create problems where they don't currently exist.

Acquisition Policy (Manual 3) Update

Leslie Ryan-Connelly, Senior Grants Manager, reviewed potential changes to the acquisition policies in Manual 3. The Recreation and Conservation Funding Board will review and potentially approve this policy language in late October 2010. She also explained the policy

development and review process, and explained the RCW structure that instructs the RCO to apply its administrative policies – such as those in Manual 3 – to SRFB projects. She noted that staff has not brought such policies to this board in the past. Acquisition issues that are specific to salmon recovery can be incorporated into Manual 18. She handed out a document showing the nine major policy changes recommended for adoption.

1. Appraisal requirements
2. Environmental Audits
3. Eligible Costs
4. Ineligible Projects
5. Interim Land Uses
6. Conservation Easement Monitoring
7. Legal Access
8. Landowner Acknowledgement
9. Acquisition for Future Use

Board members asked questions or expressed concerns about hazardous waste sites, interim land uses, the frequency and cost of conservation easement monitoring, and the timeframe for implementation monitoring. Leslie noted that the timeframes for restoration allow the director to grant time extensions, and that the intent is to keep dialog going between the RCO and sponsor.

Public Comment:

Barbara Rosenkotter, Lead Entity Advisory Group, noted that the lead entities present at the meeting believed that a 10-year timeframe for restoration following acquisition was more realistic than a 5-year timeframe.

Board Decisions

The board took action on three topics, as follows.

2011 Meeting Dates and Locations

Rebecca Connolly, Board Liaison, presented the following schedule for 2011. The board indicated a desire to travel to the mid-Columbia region.

Dates	Location
March 2-3, 2011	Olympia
May 25-26, 2011	Olympia
August 31 – September 1, 2011	Olympia or Mid-Columbia Region
December 7-8, 2011	Olympia

Bud Hover moved to adopt the 2011 schedule with the August/September meeting in the mid-Columbia region.

Seconded by: David Troutt

Motion: APPROVED

Status and Trends Monitoring (Fish-in/Fish-Out): Dr. Mara Zimmerman, WDFW

Dr. Zimmerman explained the monitoring framework, noting that the goal of fish-in/fish-out monitoring is to monitor juvenile and adult abundance in at least one primary population in each major population group (MPG) in each Evolutionarily Significant Unit (ESU). She noted that it is important because it combines adult and juvenile monitoring. She explained the monitoring that would happen in 2011, and noted that the funding they were requesting would fill the following gaps in monitoring:

- Salmon Creek summer chum
- Mid-Hood Canal summer chum (Partial funding request, other funding is secured)
- Wind River coho
- Hamilton Creek coho and steelhead (Partial funding request, other funding is secured)
- Touchet summer steelhead (Partial funding request, other funding is secured)
- Tucannon spring and fall Chinook (Partial funding request, other funding is secured)

In response to questions, Ken noted that this is a continuation of previous funding. Kaleen also clarified that the federal funding they are requesting is matched with current state funding.

David Troutt moved to approve \$208,000 for WDFW fish-in/fish-out monitoring from October 2010 through September 2012.

Seconded by: Harry Barber

Motion: APPROVED as amended

Puget Sound Acquisition and Restoration (PSAR) Grant Awards

Brian Abbott reviewed the board memo, and noted that the Review Panel had reviewed the four projects noted, resolved the issues, and recommended them for approval. He then explained that several projects used a combination of PSAR and state or federal funds, so staff was asking the board to approve both fund sources at this meeting. Doing so would reduce the time needed to manage the contracts, streamline the funding for sponsors, and expedite project implementation.

Bud Hover moved to approve \$7,140,443 in Puget Sound Acquisition and Restoration (PSAR) funds for the projects shown in Attachment A.

Seconded by: Harry Barber

Motion: APPROVED

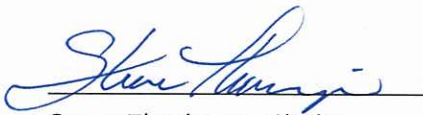
Bud Hover moved to approve \$2,247,687 in state funds or federal Pacific Coastal Salmon Recovery Funds for the projects shown in Attachment A.

Seconded by: David Troutt

Motion: APPROVED

Meeting adjourned at 5:00 p.m.

Approved by:



Steve Tharinger, Chair



Date